

7

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

UNITED STATES OF AMERICA,
Plaintiff,

v.

D-1, FRANCIS A. SHARRAK,
Defendant.

Case:2:09-cr-20272
Judge: Zatkoff, Lawrence P
MJ: Morgan, Virginia M
Filed: 06-23-2009 At 09:14 AM
INDI USA V. SHARRAK (DA)

Vios.: 26 U.S.C. §§ 7201, 7203

INDICTMENT

THE GRAND JURY CHARGES:

COUNT ONE

(26 U.S.C. § 7201 – Willful Attempt to Evade or Defeat Tax)

D-1, FRANCIS A. SHARRAK

During the calendar years 1997, 1998, 1999, 2000 and 2001, Defendant FRANCIS A. SHARRAK, a resident of Farmington Hills, Michigan, had and received, cumulatively, self-reported taxable income in the sum of \$3,722,034. Upon that taxable income, after self-reported adjustments for payments and penalties, there was owing to the United States of America, minimally, a cumulative, self-reported, income tax of \$1,481,311. Well knowing and believing

the foregoing facts, on or about April 15, 1998, and continuing through on or about November 3, 2005, in the Eastern District of Michigan, Southern Division, Defendant FRANCIS A. SHARRAK did willfully attempt to evade and defeat payment of federal income tax due and owing by him to the United States of America for the calendar years 1997, 1998, 1999, 2000 and 2001, by failing to pay to the Internal Revenue Service income tax that was due and owing, by concealing and attempting to conceal from the Internal Revenue Service the nature and extent of his assets and the location thereof, by making false statements to agents of the Internal Revenue Service, by placing funds and property in the names of nominees, by using available assets to purchase investments rather than pay his federal income tax liabilities, by paying creditors other than the United States, by handling his affairs in a manner intended to avoid making records usual in transactions of their kind, and by intentionally engaging in other affirmative conduct the likely effect of which would be to conceal and mislead the Internal Revenue Service regarding defendant's assets and the ability of the Internal Revenue Service to collect on any civil judgment obtained against defendant, all in violation of Title 26, United States Code, Section 7201.

COUNT TWO

(26 U.S.C. § 7203 – Willful Failure to File Tax Return)

D-1, FRANCIS A. SHARRAK

During the calendar year 2003, Defendant FRANCIS A. SHARRAK, a resident of Farmington Hills, Michigan, had and received gross income approximating \$690,249. By reason of such gross income, defendant was required by law, following the close of calendar year 2003 and on or before April 15, 2004, to make an income tax return to the Internal Revenue Service stating, specifically, the items of his gross income, and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, following the close of calendar year 2003 and continuing through on or about April 15, 2004, in the Eastern District of Michigan, Southern Division, and elsewhere, Defendant FRANCIS A. SHARRAK did willfully fail to make an income tax return to the Internal Revenue Service for calendar year 2003, all in violation of Title 26, United States Code, Section 7203.

COUNT THREE

(26 U.S.C. § 7203 – Willful Failure to File Tax Return)

D-1, FRANCIS A. SHARRAK

During the calendar year 2004, Defendant FRANCIS A. SHARRAK, a resident of Farmington Hills, Michigan, had and received gross income approximating \$395,680. By reason of such gross income, defendant was required by law, following the close of calendar year 2004 and on or before April 15, 2005, to make an income tax return to the Internal Revenue Service stating, specifically, the items of his gross income, and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, following the close of calendar year 2004 and continuing through on or about April 15, 2005, in the Eastern District of Michigan, Southern Division, and elsewhere, Defendant FRANCIS A. SHARRAK did willfully fail to make an income tax return to the Internal Revenue Service for calendar year 2004, all in violation of Title 26, United States Code, Section 7203.

COUNT FOUR

(26 U.S.C. § 7203 – Willful Failure to File Tax Return)

D-1, FRANCIS A. SHARRAK

During the calendar year 2005, Defendant FRANCIS A. SHARRAK, a resident of Farmington Hills, Michigan, had and received gross income approximating \$373,845. By reason of such gross income, defendant was required by law, following the close of calendar year 2005 and on or before April 17, 2006, to make an income tax return to the Internal Revenue Service stating, specifically, the items of his gross income, and any deductions and credits to which he was entitled. Well knowing and believing all of the foregoing, following the close of calendar year 2005 and continuing through on or about April 17, 2006, in the Eastern District of Michigan, Southern Division, and elsewhere, Defendant FRANCIS A. SHARRAK did willfully fail to make an income tax return to the

Internal Revenue Service for calendar year 2005, all in violation of Title 26,
United States Code, Section 7203.

THIS IS A TRUE BILL

s/Grand Jury Foreperson
FOREPERSON

Dated: 04/15/09

6-23-9 DC

TERRENCE BERG
Acting United States Attorney

s/Carl D. Gilmer-Hill (CA161939)
CARL D. GILMER-HILL
Assistant United States Attorney

Approved as to form:

s/Kathryn McCarthy
KATHRYN McCARTHY
Assistant United States Attorney
Assistant Chief, Criminal Division

United States District Court
Eastern District of Michigan**Criminal Case Cover Sheet****Case Number**

NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to con

Case: 2:09-cr-20272

Judge: Zatkoff, Lawrence P

MJ: Morgan, Virginia M

Filed: 06-23-2009 At 09:14 AM

INDI USA V. SHARRAK (DA)

Companion Case InformationThis may be a companion case based upon LCrR 57.10 (b)(4)¹:

Comp

Judge

☐ Yes☒ No

AUSA's initials: CDGH

Case Title: USA v. Francis A. Sharrak**County where offense occurred :** Oakland**Check One:**☒ **Felony**☐ **Misdemeanor**☐ **Petty**☒ Indictment/ Information --- no prior complaint.☐ Indictment/ Information --- based upon prior complaint [Case number:]☐ Indictment/ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].**Superseding Case Information:****Superseding to Case No:** _____**Judge:** _____

- ☐ Original case was terminated; no additional charges or defendants.
- ☐ Corrects errors; no additional charges or defendants.
- ☐ Involves, for plea purposes, different charges or adds counts.
- ☐ Embraces same subject matter but adds the additional defendants or charges below:

Defendant name**Charges****Prior Complaint (if applicable)**

Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

June 23, 2009

Date

CARL D. GILMER-HILL

Assistant United States Attorney

211 W. Fort Street, Suite 2001

Detroit, MI 48226-3277

Phone: (313) 226-9585

Fax: (313) 226-3265

E-Mail address: Carl.Gilmer-Hill@usdoj.gov

Attorney Bar #: CA161939

¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.